

Opening of foreign investment for SSI

2161. SHRI V.P. DURAISAMY: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) whether Government are planning to open the Small scale sector to foreign investments and multinational corporations;
- (b) if so, reasons therefor;
- (c) whether the Department is also planning to prune the list of items reserved for the Small-Scale sector; and
- (d) if these decisions are taken, how Government are going to sustain the small-scale sector?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) 24% foreign equity is already permitted in the Small Scale Sector.

(c) No, Sir.

(d) Does not arise.

Financial crunch in rural industries

† 2162. SHRIMATI SAROJ DUBEY: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

- (a) whether Government are aware of the fact that a number of people in the rural areas are not able to start their industries due to financial crunch/poverty;
- (b) if so, whether Government are going to launch any effective programme to promote the rural industry;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) Yes, Sir.

† Original notice of the question was received in Hindi.

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RAJYA SABHA

(b) to (d) The Government is already implementing the Rural Employment Generation Programme in the entire country- under which financial assistance is provided for setting up khadi and village industrial units in rural areas.

Besides the Prime Minister's Rozgar Yojana (PMRY) also covers the rural areas (as well as the urban areas).

Failure of PMRY

2163. SHRI W. ANGOU SINGH: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that the PM's rural job scheme fails to take off in the manner it was intended to do by the PM;

(b) if so, whether it is a fact that it is mainly due to the working of nationalised banks; and

(c) if not, the steps taken up on State-wise basis about the launching of schemes on October 2, 1988 regarding dreams of "Ram Rajya" through the rural prosperity?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) to (c) Perhaps, the reference in this question is to the Scheme of the Prime Minister's Rozgar Yojana (PMRY) which was launched on 2nd Oct., 1993. During 1993-94 the scheme was in operation only in the urban areas of the country. Since 1994-95 the scheme is under implementation in both urban as well as rural areas of the country. As per the report received from the Reserve Bank of India, loans have been disbursed to 11,89,564 educated unemployed youth from 1993-94 to 1999-2000 under the Prime Minister's Rozgar Yojana in the entire country. Employment is estimated to have been created for 17.84 lakh people. Of the total beneficiaries, 59 per cent belong to the rural areas as per the sample studies reports. The objective of the Prime Minister's Rozgar Yojana is to create self-employment opportunities by setting up of micro enterprises by the educated unemployed youth both in the rural as well as in the urban areas.